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President: Mr. ADOUKI (Congo)

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The meeting was called to order at 10.10 a.m.

MATTERS RELATING TO THE PROGRAMMING CYCLES: COMMUNICATIONS RECEIVED CONTAINING REQUESTS TO BE GIVEN RECIPIENT STATUS

1. Mr. GOMEZ (Asscciate Administrator) said that communications had been received from Bosnia and Herzegovina, Croatia, the Czech Republic, Georgia, Slovakia, Slovenia, and Tajikistan containing requests to be given recipient status. Upon approval of those requests, the Administrator would proceed to establish indicative planning figures (IPFs) for those countries, with the exception of Georgia and Tajikistan, for which IPFs had already been calculated and reported to the Council in document DP/1992/22. The new IPFs would be reported to the Governing Council at its fortieth session.

2. The requests for recipient status fell into two categories: countries for which IPFs would be established for the first time during the fifth programming cycle and countries for which new IPFs were sought but which had previously formed part of countries with existing fifth-cycle IPFs.

3. Since the beginning of the cycle, recipient status had been accorded to 13 countries emerging from the former Soviet Union. Requests had since been received from Georgia and Tajikistan, subsequent to their becoming States Members of the United Nations. If recipient status was approved for those countries, the total number of new recipient countries established during the fifth programming cycle would come to 15. In accordance with Governing Council decision 92/30, only 80 per cent of the amounts already established for Georgia and Tajikistan ($784,000 and $6,133,000 respectively) would be available as IPFs for the four remaining years of the cycle.

4. The second category of countries included the Czech Republic and Slovakia as well as Bosnia and Herzegovina, Croatia, and Slovenia. For the Czech Republic and Slovakia, a lack of basic economic data had prevented the establishment of IPFs thus far. Programming activities would proceed on the basis of tentative IPF figures, which, based on the best available estimates, were approximately $1.5 million for the Czech Republic and $1 million for Slovakia.

5. In the case of Bosnia and Herzegovina, Croatia and Slovenia, it was once again impossible to calculate national IPFs. It should be noted that, in accordance with Governing Council decision 92/27, UNDP-financed development activities in the former Yugoslavia had been suspended while ongoing humanitarian and relief activities were being financed from unspent IPF resources carried forward from the fourth cycle.

6. By June 1993, when all the requests would have been submitted to the Council, the total net increase in country IPFs might range from $7 million to $8 million. A complete list of the IPFs and the status of resources allocated would be provided to the Council at its fortieth session for review and guidance as required.

7. Mr. KAYUMOV (Observer for Tajikistan) said that after becoming independent on 9 September 1991, Tajikistan had been recognized by more than 100 countries and was now a full Member of the United Nations. However, it would need time to become fully aware of its own interests and opportunities in the area of multilateral cooperation.

8. Tajikistan, a mountainous country, possessed great mineral wealth and energy resources that ranked second among the countries of the Commonwealth of Independent States. Despite its enormous resources, it had been the most backward of the Soviet Republics and had been treated as a supplier of raw materials to other parts of the Union. During its transition from a command to a market economy, Tajikistan had suffered from wrenching civil conflict: its economic and social development plans had been disrupted, its housing stock had been severely damaged, export earnings and imports had declined sharply while the country's external debt had soared. That difficult period had reduced it to the level of the least developed countries.

9. The Government's development priorities were: to revitalize the national economy by rebuilding the fibre and silk, food, chemical and metallurgical industries using clean technology, to develop power generation, mining and tourism and to guide the economy according to market principles.

10. The legitimate Government of Tajikistan and its concerted efforts to restore stability were supported by the overwhelming majority of the people, and the international humanitarian assistance provided through the United Nations system and other donors was of great importance in that regard. Full national independence for Tajikistan would be gained only through profound economic change, and for that the country absolutely required the support of the international community. Accordingly, his delegation appealed to the Governing Council to grant Tajikistan recipient status.

11. Mr. TURK (Observer for Slovenia) said that, as a newly independent country in transition to a modern market economy, Slovenia sought rapid integration into the world economic system. The United Nations could help a great deal in that process.

12. Slovenia had certain advantages in infrastructure and managerial experience that should ease its transition to a market economy. The restructuring and privatization of the Slovenian economy had begun and would no doubt be hastened by the new privatization programme. The country's favourable balance of payments could also foster restructuring and economic growth. Foreign trade had been liberalized, the fiscal system had been adapted to European standards and the Government was actively encouraging foreign investment.

13. Slovenia was highly interested in continuing and expanding its cooperation with UNDP, which would be facilitated by the granting of recipient country status. That status would allow Slovenia to be included in UNDP projects at the regional and other levels and would serve as a proper point of

(Mr. Türk, Observer, Slovenia)

departure for developing national programmes. Slovenia would not only participate in cooperation programmes as a recipient country but could also share its own experience of privatization and economic transition with other countries through regional programmes and projects undertaken by UNDP, the Economic Commission for Europe (ECE), the European Community and other organizations. It was his delegation's firm belief that the relatively small resources to be granted to Slovenia by UNDP could soon prove to have a considerable multiplier effect at the regional and international levels.

14. Mr. GRAISSE (Secretary of the Governing Council) said that the representative of Georgia had not been able to attend the meeting; however, the text of a statement by the Georgian Prime Minister was available to members.

15. Mrs. SCHÄFER-PREUSS (Germany) asked the Associate Administrator whether the IPF allocations for new countries would exhaust the reserve.

16. Mr. GOMEZ (Associate Administrator) recalled that the IPFs for Tajikistan and Georgia had already been given to the Council and that only 80 per cent of the amounts originally indicated was now being proposed. Allocations for the Czech Republic and Slovakia and, probably, for countries of the former Yugoslavia would result in a net increase in resource requirements. Thus when the new IPFs became available, it was likely that the $100 million programme reserve would be exhausted if not exceeded. A full accounting would be provided at the fortieth session, in June 1993.

THE ACTIVITIES OF THE UNITED NATIONS DEVELOPMENT PROGRAMME IN THE BALTIC STATES AND THE COMMONWEALTH OF INDEPENDENT STATES (DP/1993/5)

17. Ms. WYRSCH (Switzerland), speaking on a point of order, suggested that the discussion of the item should take the form of a dialogue between members and the Director of the Division for Europe and the Commonwealth of Independent States, rather than the reading out of prepared statements. New documents containing a great deal of important information had just been issued, and members wished to have an opportunity to respond spontaneously and directly.

18. Mr. HELMKE (Director of the Division for Europe and the Commonwealth of Independent States) said that the nations that had emerged out of the former Soviet Union had faced severe deterioration in their social, economic and political conditions since the thirty-ninth session of the Council. Five of those countries - Armenia, Azerbaijan, Georgia, Moldova and Tajikistan - currently required humanitarian aid and other forms of special international assistance, even though many delegations at the previous session had considered them among the countries not requiring priority attention.

19. There was an increasing awareness of the close link between the economic aspects of reform and the transition to democracy and participation. Even

(Mr. Helmke)

large financial institutions had realized that their efforts to introduce a market economy would be in vain without progress in democratization and political stability. In some countries, the results of local elections had already put economic reforms on hold.

20. The Governments confronting those crises were still inexperienced in that area and had turned to UNDP in particular to help them identify the nature of linkages between the two aspects of the transition and design measures to strengthen those linkages. Such measures enhanced the credibility of reforms and decreased the pressures inherent in transition.

21. Discussions begun at the previous session of the Governing Council on opportunities for an integrated and coordinated approach by the entire United Nations system had been pursued in the Economic and Social Council and in the Second Committee of the General Assembly, and significant progress had been achieved in recent months. An agreement had been concluded with the World Bank and Azerbaijan, Kazakhstan, Kyrgyzstan and Uzbekistan which gave UNDP a leading role in national capacity-building for foreign aid management in those countries. UNDP would execute joint projects in that area, co-financed from several sources, including the World Bank. In addition, a formal agreement would soon be concluded between UNDP and ECE on key economic reform programmes in the region. More joint efforts at the regional level were expected, including the incorporation of ECE technical staff into field offices for special assignments. Lastly, a new type of cooperation agreement between UNDP and the European Bank for Reconstruction and Development (EBRD) had been approved, and UNDP project staff and Bank staff had begun work on a technical assistance programme aimed at making enterprises eligible for EBRD financing.

22. Programme development in the region had been a priority since the thirty-ninth session. Some 28 missions to all countries had provided inputs for the programming process, and five "short-term country strategies" were already in use, with the first country framework for Azerbaijan also nearing completion.

23. The countries of the region perceived an urgent need to assume responsibility for managing their own foreign aid programmes. In September 1992, aid-coordination officials from 14 countries of the former Soviet Union had met in Warsaw to exchange experiences. Participants had acknowledged that UNDP had indeed played a major role in building national capacity to manage foreign assistance effectively in support of the transition and had requested that the Programme should pursue that activity in the new recipient countries, combining it with regional approaches and an active exchange of experiences. A number of prototype projects in areas of concern to most countries in transition had been developed.

24. Because of the complete restructuring of the public sector and reorientation to support the emerging private sector, the Management Development Programme was active in the region. Seven missions to new

(Mr. Helmke)

recipient countries had been carried out and detailed programmes had been developed. Some 18 new projects, totalling over $3 million, had been formulated, 9 of which had already been approved and implemented.

25. The integration of the countries of the region into the world economy would be greatly facilitated if they resumed a degree of cooperation among themselves. That was a sensitive issue, yet many of the immediate problems could not be resolved strictly on a country-specific basis. UNDP and other specialized agencies had begun to develop integrated packages for regional or subregional cooperation in such areas as trading on international commodity markets, small business management, protection from radiation and safety of nuclear power plants.

26. Mr. MARKER (Denmark), speaking on behalf of the European Community and its member States, expressed serious concern at the way in which Governing Council decision 92/43 had been interpreted and implemented by UNDP. The Council had authorized UNDP to open a limited number of temporary national and/or regional UNDP offices in the countries concerned. However, the opening of offices in 9 of the 13 countries at the end of 1992 and the scheduled opening of offices in the remaining countries in early 1993 appeared to exceed the mandate given in that decision and reflected neither its letter nor its spirit.

27. Funds in the amount of $3 million had been earmarked in the decision to enable the Administrator to give effect to the decision by opening a limited number of offices. Yet according to document DP/1993/5, an amount of $4.6 million had been committed. Part of that amount would be reimbursed from the United Nations regular budget for its share of the interim offices, part would be reimbursed by recipient Governments and part would come from contributions in kind. The reimbursement from the United Nations had not been approved by the General Assembly at its forty-seventh session, however, and financing of the offices was uncertain. Blurring the distinction between administrative and programme costs by using IPF resources for administrative purposes set an unwelcome precedent. Furthermore, the system-wide approach both in the common field presence and in programme matters had not yet led to significant cost-sharing or joint programming arrangements.

28. The European Community and its member States had the impression that UNDP had devoted much more attention to setting up field offices throughout the Baltic States and the Commonwealth of Independent States than to country strategies and integrated approaches. They urged the Administrator to ensure that decision 92/43 was implemented in the manner intended.

29. Ms. ARYSTANBEKOVA (Observer for Kazakhstan) said that immediately after acceding to independence, her country had taken active measures to become integrated into the world economy and was currently striving to maintain a stable economic situation during the transition to democracy and a free-market system. Kazakhstan was establishing the legislative basis for new forms of

(Ms. Arystanbekova, Observer, Kazakhstan)

economic management and carrying out reform measures aimed at privatization, the training of personnel and developing medium-sized enterprises. In that effort, her country was actively cooperating with the World Bank, the International Monetary Fund, EBRD and other international organizations and was counting on support from the United Nations system.

30. UNDP could provide valuable assistance in national capacity-building and human-resources development. In view of the need to set up national institutions for the effective management and utilization of foreign assistance, her Government was interested in the possibilities for developing joint programmes with UNDP, particularly in the areas of management training and developing small enterprises. Accordingly, the physical presence of UNDP in Kazakhstan was very important, and a United Nations/UNDP office in Alma Ata would promote effective use of United Nations assistance as well as democratic and economic reforms.

31. Dealing with countries of the former USSR on a regional basis was essential in order to avoid duplication of effort and integrate the region into the world economy. However, the IPFs for the countries of Europe, which included Kazakhstan, did not reflect the current situation because they failed to take account of the emergence of some two dozen new recipient countries after the disintegration of the Soviet Union and Yugoslavia. She therefore hoped that the Governing Council would take those new circumstances into consideration in drawing up its budget for the biennium 1994-1995.

32. In promoting a safe and stable world, the United Nations must use its available resources justly and equitably. Kazakhstan therefore supported the Programme's approach to the newly independent States, which took account of the needs of the developing countries. The successful integration of the States of the former USSR into the world economy would be instrumental in normalizing the global economic situation and create new possibilities for mutually advantageous international economic cooperation.

33. Mr. ATABEKOV (Observer for Kyrgyzstan) said that his Government attached great importance to UNDP technical assistance. The agreements concluded between the two sides in 1992 would provide a good framework for cooperation. Aware of the economic and social challenges it faced, the Government of Kyrgyzstan had recently established relations with the Bretton Woods Institution and had made an extremely promising beginning towards its programme of economic and social reform.

34. Industrial output, consumption and income generation had declined sharply in Kyrgyzstan in 1992, and that decline was expected to continue in 1993. Direct financial support of nearly $500 million was required to promote economic recovery. Support for government efforts to meet the challenges of reform was also greatly needed. Coordinated assistance from the United Nations could be used to help formulate a country strategy for human development, determine the priority sectors of the economy and create an environment enabling a rapid transition to a market economy.

(Mr. Atabekov, Observer, Kyrgyzstan)

35. Price increases for all essential goods and services coupled with a credit crisis caused by continued dependence on the central bank of the Russian Federation for currency supply had made living conditions in Kyrgyzstan very difficult. The abrupt drop in output and demand was beginning to result in unemployment, previously unknown in the country. The agricultural sector, accounting for 40 per cent of total economic output, was key to economic recovery, and plans were under way to enhance privatization of State farms. Strengthening of the banking sector and price liberalization were other important aspects of the economic reform process.

36. The adjustment of government structures to the new situation was critical for a smooth transition; among the Government's priorities was the retraining of managers and professionals in public administration, finance and economic management. In order to lay an appropriate foundation for foreign investment, the Parliament had passed legislation intended to create an environment favourable to investment.

37. Kyrgyzstan had been granted recipient status in 1992. The Government viewed 1993 as the critical year in the country's transition to a market economy, and, as the political situation had remained relatively stable, joint efforts to advance the reform programme should proceed without delay. His Government looked forward to a significant flow of assistance from the international community that would be used to lay the foundations of a new Kyrgyzstan.

38. Mr. KUDRYAVSTSEV (Russian Federation) said that he fully supported the request by a number of the newly independent States, particularly Tajikistan and Georgia, for recipient country status. His delegation endorsed the proposed UNDP strategy, which was based on a comprehensive approach to assistance to the Commonwealth of Independent States and designed to support the reforms under way in Commonwealth countries. One of the most important elements of that strategy was the establishment of integrated United Nations offices, which would make it possible to ensure interdepartmental coordination at the necessary level. His Government also agreed with the conclusions set forth in paragraphs 16 to 19 of the report of the Administrator (DP/1993/5), including the use by the Division for Europe and the Commonwealth of Independent States of an expanded network approach to manage resources and the regionalization of some of the administrative support.

39. His country was interested in the speedy establishment of an integrated United Nations/UNDP office in Moscow and felt that the same criteria and requirements should be applied to the Russian Federation as were applied to the other recipient countries located in the territory of the former USSR.

40. Account should be taken of the fact that the Russian Federation, owing to its economic difficulties, was in the same situation as the other countries of the Commonwealth of Independent States and the Baltic States. Its relationship with UNDP therefore should be based on the approach used for the

(Mr. Kudryavstsev, Russian Federation)

other countries concerned. In view of the limited IPF resources available to those countries and the Programme's orientation towards the needs of the developing countries, the creation of special-purpose funds for accumulating additional resources to support assistance programmes for the States of the region was an important element of the strategy under consideration.

41. In drafting a cooperation agreement with UNDP, his Government had set up a working group to draw up a five-year country programme focusing on privatization, the establishment of a free-market infrastructure, the development of small- and medium-sized enterprises, personnel management and training, environmental measures and attracting foreign investment. Much attention was being given to participation in UNDP regional programmes. Under the regional programme for Europe, Russia had become involved in projects to train personnel in management, privatization and environmental protection in the coal industry, and consideration was being given to participation in similar projects in other areas.

42. Russia was also interested in regional cooperation with countries in the Asian and Pacific region. In that connection, he underscored the long-term importance of the programme for the development of the Tumen River basin and said he hoped that UNDP efforts to stimulate regional cooperation in that area of north-east Asia would be further pursued. Lastly, his country also wished to participate in a number of interregional and global UNDP projects, where contributions by Russian organizations and specialists might prove useful.

43. Mr. GOMEZ (Associate Administrator) recalled that General Assembly resolution 47/199 had called for the operational activities of the United Nations development system in new recipient countries to be undertaken on the basis of an integrated and cost-effective approach and for the governing bodies of the various elements of the system concerned to submit progress reports. However, it was not apparent whether a statement of programme budget implications had been prepared in connection with the adoption of the resolution, an exercise which would have allowed the organizations and agencies concerned to have estimated the costs involved. If no statement of programme budget implications had been adopted, the Secretary-General would have to absorb the cost of implementing the resolution from within existing resources for the biennium 1992-1993.

44. The Governing Council would appreciate that the amount involved was modest in the context of the transactions between the United Nations and UNDP, which normally resulted in a net flow towards the United Nations of several million dollars a year. If the Secretary-General could not absorb the costs, the only alternative would be to withdraw the staff generating them. Nevertheless, given the overall level of transactions between the United Nations and UNDP, the Government Council could be assured that it was not advancing funds rashly.

45. Mr. HELMKE (Director of the Division for Europe and the commonwealth of Independent States) said that core resources of some $10 million, in the form of IPFs, were available for the countries concerned as a group. There were also indications that the United States Government was prepared to make an additional $10 million available on a bilateral basis for trust funds for the Baltic States and the Commonwealth of Independent States, while contributions to trust funds of some $5 million were expected from other donors. Further, $7 million had been set aside for the profitability project undertaken with EBRD. Several projects and regional packages which should generate further financing were also under consideration, and indications of support had already been received, including, for the first time, support from the private sector.

46. The development of an integrated approach required a presence in the country, since adequate coordination could not be otherwise guaranteed. UNDP was also investigating the new modality of trilateral cooperation for developing countries, designed to use the material resources of the East and the financial resources of the West for the benefit of the countries of the South. Lastly, UNDP wished to promote capacity-building for the management of aid and the mobilization of resources by national institutions with a view to increasing the absorptive capacity of recipient countries, which, for example, in the case of Kyrgyzstan, was currently only 9 per cent. A relatively modest training initiative in that area would result in much greater utilization of funds which had been earmarked but which did not actually flow to recipient countries.

47. Mrs. SCHÄFER-PREUSS (Germany) said that her delegation endorsed the remarks made by the representative of Denmark on behalf of the European Community and acknowledged the efforts by UNDP to establish an innovative and cost-effective approach for the programmes in the Baltic States and the Commonwealth of Independent States. However, while document DP/1993/5 provided much information on programme activities, the policy concept underlying many of the initiatives begun in recent months was not clear. Conference room paper DP/1993/CRP.1 provided a better indication of the direction UNDP cooperation with other agencies and the countries concerned was taking. UNDP should consider placing still greater emphasis on policy advice in the field of economic management and on donor coordination. In general, UNDP should focus its scarce resources on those areas where it clearly had a comparative advantage.

48. Regarding organizational matters, it had not been the intention of the Governing Council to open a field office in every country and it seemed to her delegation that other alternatives were available. UNDP should actively pursue the concept of joint offices with other United Nations organizations. Her delegation was opposed to the use of IPF funds for administrative costs, even on a reimbursable basis. More information on cost-sharing arrangements with the United Nations Secretariat would be welcome. She would also welcome updated information on the availability of extrabudgetary resources. Lastly, she trusted that UNDP would continue its country and programmatic focus and maintain the underlying financial and administrative framework.

49. Mr. GOUMENNY (Observer for Ukraine) noted with satisfaction that UNDP had made significant progress in implementing Governing Council decision 92/43. Ukraine greatly appreciated the Programme's efforts to set up integrated United Nations interim offices under the leadership of resident coordinators in the countries concerned and supported the all-round approach aimed at involving an increasing number of United Nations agencies in the implementation of technical assistance programmes. The presence of the United Nations in each of the newly independent States was of fundamental importance in that regard. Unfortunately, because of a lack of resources, the Organization's presence was still minimal and totally inadequate to the tasks to be carried out.

50. His Government attached great importance to the implementation of international technical and advisory assistance programmes in Ukraine. It had established a national centre for that purpose which was actively cooperating with many international organizations, including UNDP. The establishment of an integrated United Nations Interim Office in Kiev had opened up new opportunities in that field. On the whole, his Government was satisfied with the work of the office, which had helped draw up the country's first umbrella project. It was hoped that the project would enhance national management of technical assistance programmes and help the Government devise a national strategy for multilateral and bilateral technical assistance. The office had already taken steps to organize advisory assistance in designing training programmes for management personnel, reforming the financial sector, privatization and establishing institutional mechanisms to attract foreign investment and make use of certain specialized agencies to assess the social effects of economic reforms. His Government supported UNDP activities aimed at organizing training courses in Kiev in the area of small business management and looked forward to participation in the Transfer of Knowledge through Expatriate Nationals (TOKTEN), United Nations International Short-Term Advisory Resources (UNISTAR) and United Nations Volunteers programmes.

51. Nevertheless, the level of technical assistance provided through UNDP did not correspond to the current situation in the country. Ukraine was in the midst of an economic crisis characterized by severed economic links, low productivity and hyperinflation. It was essential to combine administrative and economic management methods. His Government intended to convert State enterprises into joint-stock companies and promote the general development of commercial activity by supporting small- and medium-sized businesses. It was also necessary to reform the procedures governing foreign economic activities, attract foreign investment and restructure the monetary system. The international community, particularly UNDP, was in a position to help Ukraine carry out those tasks. He hoped that such assistance would be substantial and both technical and financial in nature, in order to achieve stable economic development, solve the country's acute social problems and overcome the effects of the Chernobyl disaster.

52. Ukraine supported the prompt establishment of trust funds for the Baltic States and Commonwealth of Independent States, but also believed that the

(Mr. Goumenny, Observer, Ukraine)

Programme should make more effective use of its own unique possibilities in order to convince donor countries of the need to execute projects in the region. Greater use should also be made of the international monetary and financial institutions and the resources of other organizations of the United Nations system for that purpose.

53. Lastly, he wished to stress that the development of operational activities in the Baltic States and the Commonwealth of Independent States would not be detrimental to existing programmes for developing countries. As Ukraine and the other countries of the region restructured their economies, their contribution to the development of international cooperation with developing countries would grow.

54. Mr. YEGOROV (Observer for Belarus) said that, in its activities in his country, UNDP had developed innovative approaches that were in keeping with the new conditions in the region. The establishment of United Nations Interim Offices would enable the Organization and the Programme to provide effective assistance to Belarus in the early stages of its transitional period. He noted with satisfaction that the Division for Europe and the Commonwealth of Independent States was following innovative approaches in the management of limited resources. His Government, in accordance with its obligations, was doing its utmost to create the most favourable possible conditions for the work of the integrated United Nations Interim Office in Minsk.

55. UNDP and the office were helping to set up a full-scale State infrastructure for managing foreign trade. National personnel were being trained through international training structures and networks. The office was providing all-round assistance in solving the problems resulting from the Chernobyl disaster by organizing the delivery of medicine and coordinating the programmes of other United Nations agencies, particularly the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the United Nations Industrial Development Organization (UNIDO).

56. It was particularly important that the office, together with other international institutions such as the World Bank and EBRD, was actively helping to attract investments to finance various infrastructure-development projects. He hoped that the bold initial steps taken by the United Nations and UNDP in the Baltic States and the Commonwealth of Independent States would be supported by the international community.

57. Mr. SNEGUR (Observer for the Republic of Moldova) welcomed the decision to establish a UNDP office in his country. In view of the country's economic and political problems, his Government regarded the United Nations presence as a guarantor of a peaceful transition to a market economy and a stable society based on democratic principles. His Government hoped that the resident coordinator, who had recently arrived in the Republic of Moldova, could play an active role in the United Nations observer mission which would be sent there within a few weeks.

(Mr. Snegur, Observer, Moldova)

58. Unfortunately, many Governments and international organizations had formed an inaccurate picture of the situation in his country; it was to be hoped that the presence of UNDP staff would have a positive effect in that regard.

59. For countries such as his, which had few natural resources and limited access to world markets, the UNDP approach, consisting of reorienting transition processes towards human development, was of great importance. The environmental thrust of UNDP projects would also help the Republic of Moldova overcome the consequences of long-term neglect in that area.

60. Mr. SUCHMAN (Czech Republic) said that his country greatly appreciated UNDP efforts to promote the economic and social development of all countries. Multilateral development cooperation had become an integral part of overall development efforts and had achieved significant results in a number of countries. In accordance with Governing Council decision 92/43, UNDP was endeavouring to strengthen its coordinating function within the United Nations development system.

61. In 1993 his country would undertake national project execution for the first time. His delegation supported the request by the new recipient States for assistance under a broad range of UNDP programmes. At a time when the Central and Eastern European countries were endeavouring to transform their political and economic systems, his Government was seeking to expand its cooperation with UNDP, as it was convinced that UNDP could play a positive role in the promotion of privatization, management development, the reorganization of public administration and the training of specialists in the fields of environmental protection, telecommunications, social policy and safety strategies.

62. Mr. BARAC (Romania) said that the majority of countries in the region which were endeavouring to transform their economies were constrained by inadequate resources, the lack of technical skills, obsolete technologies and production structures, restricted access to international markets, environmental problems and so on. The success of their efforts would depend largely on a firm commitment by developed countries and international organizations to support the reform process, as the General Assembly had recognized in its resolution 47/187.

63. His delegation endorsed the strategy proposed in document DP/1993/5 and specifically agreed that: there was a need for a coordinated and integrated approach by the United Nations system; the most apporopriate and effective manner in which the United Nations could be of assistance to those countries in the early phases of the transition would be through establishing a field presence in each country, although limiting UNDP offices to only a few countries would be discriminatory; programme development should proceed from short-term strategies to the elaboration of country programmes, containing both the element of transition support and medium-term development; the transition to a market economy and the transition to democracy were closely

(Mr. Barac, Romania)

linked; and lastly, that human development was an indispensable element of the infrastructure for future development and an element for making the burden resulting from the transition bearable to the most disadvantaged groups in each country.

64. Mr. RYSINSKI (Poland) said his delegation agreed that in order for the United Nations to provide support to the transition process, in the countries of the former Soviet Union, it must have an active physical presence in those countries. While UNDP should be given scope to develop its ideas and activities, the Council should avoid engaging in micro-management, which it might be tempted to do because of the scarce resources earmarked for those countries.

65. He drew attention to General Assembly resolutions 47/187, which recognized the need for the international community to support economic reforms and restructuring in the economies in transition, and 47/199, which recognized that the United Nations system had a role to play in assisting countries undergoing deep economic and social reforms, and requested the Secretary-General to ensure that the operational activities of the system in new recipient countries were undertaken on the basis of an integrated, unified, cost-effective and innovative approach to development cooperation and presence in the countries concerned. In the light of those resolutions, UNDP must be allowed to give operational content to the priorities which the General Assembly had established, and UNDP and the General Assembly must not work at cross purposes with each other.

66. United Nations activities should be seen in the context of an overall effort to support the transition in Europe. The potential for regional activity had already been noted, as shown by the Warsaw workshop on aid management for the countries of the former Soviet Union, organized jointly by Poland and UNDP in September 1992. His country saw the need for a continuing exchange of ideas and experience and was prepared to provide expertise and institutional support for that purpose. The task of formulating concrete proposals might be entrusted to the UNDP office in Warsaw following consultations with regional partners and taking into account any recommendations which the Division for Europe and the Commonwealth of Independent States might wish to make.

67. In view of the limited resources available, efforts should be made to establish new and equitable forms of regional cooperation, as noted in paragraph 45 of document DP/1993/5.

68. Mr. SHOJI (Japan) said that his Government had taken a number of steps to provide assistance to the Baltic States and the Commonwealth of Independent States from sources other than official development assistance (ODA). In October 1992, for example, it had decided to provide the Commonwealth of Independent States with $100 million in humanitarian emergency assistance. It had also decided to provide training over the next three years to 300 candidates from five Central Asian republics.

(Mr. Shoji, Japan)

69. By combining its strengths with those of other development agencies, UNDP clearly had a role to play in providing assistance to the countries concerned. Document DP/1993/5 properly emphasized the importance of capacity-building in such areas as aid management, as well as the need to take into account the interrelationship between the transition to a market economy and the transition to democracy. Document DP/1993/CRP.1 provided useful information about the specific contribution UNDP could make on the basis of its comparative advantages. It was unclear, however, what volume of resources would be required if tangible results were to be achieved, and whether it was realistic to project such results, in view of the limited funds available to UNDP. His delegation would welcome the holding of informal consultations to clarify those and other questions relating to document DP/1993/CRP.1.

70. Document DP/1993/5 mentioned that joint integrated country missions by several agencies had already been sent to the Baltic States. However, he wondered whether joint missions involving UNDP had been sent to countries other than the Baltic States and what steps had been taken to ensure joint programming by the organizations of the United Nations development system. His delegation believed that the Joint Consultative Group on Policy would provide a suitable mechanism for joint programming. It was discouraging that so little had been accomplished in that area by UNDP and the system as a whole. His delegation requested the Administrator to organize a meeting of UNDP and other organizations of the United Nations system, including, as a minimum, the other members of the Joint Consultative Group on Policy, so that all States could discuss the matter and take concerted action to achieve integrated presence and joint programming.

71. The implications of the Secretary-General's decision to establish United Nations Interim Offices in six countries of the former Soviet Union to be headed by staff from the Department of Public Information as resident coordinators, must be carefully studied. The Administrator's proposal to open UNDP offices in 9 of the 13 countries concerned appeared to be in conflict with Governing Council decision 92/43, which provided that such offices should be temporary and limited in number. His delegation regretted that the concept of a regional approach appeared to have been discarded and that the Council's clear instructions had not been followed.

72. In December 1992, the Organisation for Economic Cooperation and Development (OECD) had assigned ODA status to the five countries of the Central Asian region of the former Soviet Union on the ground that their income level, living standards and other development indicators were similar to those of low- or middle-income developing countries. His delegation urged the Council to take that factor into account and in reviewing the UNDP approach to those countries and to make appropriate recommendations as soon as possible.

The meeting rose at 1.20 p.m.